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RHEHAAA/NSC WASHDC IMMEDIATE
RHMFIUU/39ABG INCIRLIK AB TU IMMEDIATE
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UNCLAS SECTION 01 OF 04 ANKARA 000003

SIPDIS
SENSITIVE

H PASS TO REPRESENTATIVE WASSERMAN SCHULTZ

E.O. 12958: N/A
TAGS: OVIP PGOV PREL TU
SUBJECT: SCENESETTER FOR CODEL WASSERMAN SCHULTZ

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Welcome

¶1. (SBU) Welcome to Ankara. Your visit comes one month after Prime Minister Erdogan and President Obama met for three hours, an event that received a warm reception in the Turkish press. The two leaders discussed our countries' close collaboration on Afghanistan, convincing Iran to give up its nuclear weapons program, eliminating the terrorist Kurdistan Workers Party (PKK), improving security in Iraq, and increasing bilateral trade. The content of the fruitful discussions was outlined in their joint statement after the meeting, which can be found at <http://www.whitehouse.gov/the-press-office/re marks-president-obama-and-prime-minister-erdogan-turkey-afte r-meeting>.

¶2. (SBU) The past few months have been a busy period for the ruling Justice and Development Party (AKP) government. Since August, the AKP has begun to promote a 'National Unity Project' as a way to improve the ethnic Kurdish minority's social, economic and cultural situation. The program aims to implement reforms that would reduce the alienation of those Turkish Kurds who would be otherwise inclined to support or join the PKK. The military campaign against the PKK continues, and General Ilker Basbug, leader of the Turkish Armed Forces (TSK) has supported the National Unity Project as a complement to security operations. The AKP hopes to find ways to apply the benefits of these reforms to other minority groups as well.

¶3. (SBU) However, due to the December 11 decision by the Constitutional Court to close the predominantly Kurdish Democratic Society Party (DTP) and ban several of its members from politics for 5 years for their PKK connections, some Turkish Kurds have started to lose faith in the AKP and the project. Opposition parties also increasingly are attacking the AKP for launching a project that would grant special treatment to a particular ethnic group, thereby threatening the Turkey's national cohesion.

¶4. (SBU) Meanwhile, Turkish unemployment rose to dramatic highs in 2009. While unemployment levels are dropping, the economy is still recovering from the global financial crisis, which hit Turkey's manufacturing sector hard due to a reduced demand for exports. Turkey's per capita GDP is predicted to shrink by \$2,000 in 2009, and its GDP growth rate will be a negative 6 percent. Increasing criticism of the AKP's economic policies provoked the Prime Minister to give his first "state of the economy" speech on December 30.

¶5. (SBU) The discovery December 22 of an alleged plot by eight soldiers to assassinate State Minister Bulent Arinc has also generated extensive press coverage and fevered speculation the military is conspiring to overthrow a government whose Islamist orientation arouses the antagonism of the officer corps. The investigation into the activities of the eight suspects is ongoing.

¶6. (SBU) Your high-level meeting counterpart (to be confirmed) will be informed of your desire to discuss Turkey's role in the Middle East peace process, especially its relationship with Israel (para. 7), and Turkey's process of accession to the EU (para. 8). Information about U.S. assistance programs to Turkey (para. 11), and Turkey's relations with Armenia (para 13) are below, as well as a paragraph on the charity that some members of your delegation will visit (para. 15).

Turkey, Israel, and Middle East Peace

¶7. (SBU) Despite disagreement over the AKP government's outreach to HAMAS, Turkish Prime Minister Erdogan and former

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Israeli Prime Minister Olmert had communicated directly and frequently prior to the late December 2008 start of Israel's "Cast Lead" military operation in Gaza. The operation played very badly for Israel in the Turkish media. Clamorous public demonstrations in Ankara and Istanbul condemned perceived Israeli "war crimes" and demanded international intervention to protect Gazan civilians. Erdogan harshly criticized Israel publicly and claimed Olmert had promised not to invade Gaza during his official visit to Turkey just a few days prior to ordering Cast Lead. Erdogan implied he could no longer trust Olmert and Israeli diplomats and politicians suddenly lost access to senior GoT political levels. Erdogan vigorously and frequently criticized Israel's closure of Gaza on humanitarian grounds up until Israeli Industry, Labor and Trade Minister Ben-Eliezer's late November visit to Ankara and Erdogan's December 7 meeting with President Obama. Since those events, Erdogan's criticism has become noticeably muted. The GoT has invited Israeli Defense Minister Barak to meetings in Ankara January 17. We interpret that invitation positively as an indication of the Turkish government's willingness to reopen a senior-level communications channel with Israel. You could very helpfully encourage this rapprochement by conveying to your interlocutors our belief that Ankara's aspiration to become a major Middle Eastern mediator would be more likely realized if the GoT cultivates and maintains a civil public dialogue with Israel as well as Syria and the Palestinian Authority.

EU Accession

¶8. (SBU) Turkey formally became a candidate state for the European Union in 2004 and began negotiations on October 3, 2005. So far, one chapter on science and technology has been opened and provisionally closed. Eleven other chapters have been opened, on free movement of capital, company law (business regulation), intellectual property law, information society and media, statistics, enterprise and industrial policy, trans-European network, environment, consumer and health protection, and financial controls. Nine chapters, mostly related to trade, were suspended by the European

Council in December 2006 after Turkey declined to open its ports and airports to Greek Cypriot vessels--a commitment Turkey made as part of the Ankara Additional Protocol and its EU Customs Union membership. Six were blocked by Cyprus for similar reasons, and three were blocked by France for other reasons.

¶9. (SBU) The Turkish public is growing increasingly frustrated with the EU, in part because the accession process has been blocked by Cyprus and other states, but also in reaction to the skepticism about Turkey's suitability for membership in principle expressed by several EU member state leaders. Nevertheless, the GOT is pushing forward on accession, creating a position of Minister for EU Accession in January 2009 and hiring 140 new civil servants to staff the ministry. Regional offices will be opened in all 81 provinces to help promote the goals of accession. Raising living standards to those prevalent in Europe will require high rates of GDP growth and a well-functioning market economy. This will entail continued structural reforms that encourage both domestic and foreign investment. Principal areas for reform identified by international financial institutions include increasing flexibility in the labor market, making the educational sector more responsive to the needs of the economy, and ensuring faster and more predictable operation of the judicial system. As an aspirant to membership in the European Union, Turkey aims to adopt the EU's basic system of national law and regulation (the *acquis communautaire*) by 2014. While implementing some elements of the *acquis* will be costly and difficult (for example in the areas of environmental protection and agriculture), its adoption will make a significant contribution to modernizing

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the economy.

¶10. (SBU) A settlement in Cyprus negotiations will be key to keeping Turkey's accession talks on track because Cyprus is blocking the opening of six chapters. The negotiations are expected to intensify ahead of the mid-February 2010 start of the Turkish Cypriot "presidential" campaign, which pro-settlement incumbent Mehmet Ali Talat will likely lose barring significant progress in the talks. UN Special Advisor Downer aims to reach agreement on governance and power sharing, EU matters, and economy by mid-February, while leaving the difficult issues of property, territory, and security guarantees (involving the presence of Turkish troop and intervention rights) to the endgame.

U.S. Assistance

¶11. (SBU) A democratic, market-oriented U.S. ally in a volatile region, Turkey is a front-line state in the world community's struggles against terrorism, drug trafficking, organized crime and weapons of mass destruction proliferation. Its political and economic stability is critical to achieving a wide range of U.S. policy goals. With a 2008 per capita GDP of \$10,436, Turkey's ability to contribute to these goals is limited by resource constraints, excessive bureaucracy, and domestic opposition to reform. Well-targeted U.S. assistance helps to address these bottlenecks and contributes to an improved perception of America among a mistrustful population.

¶12. (SBU) For FY 2011, Post will request support for the following programs:

- Counterterrorism (\$1.1 million)
- Resident Legal Advisor program (\$700,000)
- Combating weapons of mass destruction (\$1.2 million)
- International military education and training (IMET)(\$5 million)
- Counternarcotics (INCLE) (\$500,000)
- Economic support fund (ESF)
 - Governing justly and democratically (\$400,000)

-- Investing in people (\$1 million)
-- Economic growth (\$6.1 million)

Armenia

¶13. (SBU) The USG has worked hard to encourage candid discussion in Turkey of the tragedy suffered by ethnic Armenians during World War I. The Turkish and Armenian governments have made important progress in their negotiations on normalizing bilateral relations and opening the border. On April 22, Turkey and Armenia issued a joint statement on the "road map" to normalizing their bilateral relations. There has also been a small, but growing voice within Turkey calling for a more open examination of the events during that period. The number one issue in U.S.-Turkish bilateral relations is whether the USG or Congress will endorse a resolution labeling this tragedy a genocide, which would incense Turkey's public and set back the efforts of those in Turkey calling for comprehensive examination of the history and normalized Turkish-Armenian relations.

¶14. (SBU) Turkey and Armenia began a process of rapprochement recently. On October 8, Turkey's Foreign Minister Ahmet Davutoglu and Armenia's Foreign Minister Edward Narabandian signed protocols to reestablish formally diplomatic relations. The protocols have to be ratified by each country's parliament before they can be enacted, however, and have languished since they were signed. Azerbaijan does not support Turkey's reestablishment of relations until Armenia

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withdraws from certain regions of the Nagorno-Karabakh, and Turkey's public is loath to turn its back on its Turkic brother country. The OSCE Minsk Group, which has been working with Armenia and Azerbaijan to reach a settlement on the Nagorno-Karabakh, has not been making much progress lately. The U.S. does not recognize this linkage, however, and continues to press for the protocols to be passed in parliament quickly.

ANACEV

¶15. (SBU) The Anatolia Contemporary Education Foundation (ANACEV) was established in 1997, and provides (a) education to adult women -- especially in reading and writing -- as its primary goal, (b) education to pre-school students, and (c) scholarships to primary, secondary, and university students. The foundation runs three literacy centers and a kindergarten in Ankara. Construction of the kindergarten, which collects fees for enrollment that it uses in part to fund its scholarship program, was partly funded by former Ambassador Robert Pearson's wife.

¶16. (SBU) The delegation's spouses will visit the Yildiz literacy center for ANACEV, which was opened in 1997. The center particularly reaches out to illiterate women who live in the city's dilapidated "built-at-night" (gecekondu) houses, constructed by poor and recent migrant families. The spouse of Post's former Deputy Chief of Mission Nancy McEldowney, Tim Hayes, worked with embassy employees to collect computers and desks to furnish one room of the center where they teach computer literacy. Secretary Clinton visited this center in 1999 in her capacity as First Lady. ANACEV's president, who was former Prime Minister Tansu Ciller's Chief of Cabinet, is Mrs. Ayla Hatirli.

¶17. (U) We look forward to your visit.
JEFFREY

"Visit Ankara's Classified Web Site at <http://www.intelink.sgov.gov/wiki/Portal:Turkey>"